(c) The amount of Foreign Direct Investment (FDI) approved through the automatic route as compared to the amount of total FDI approved during the period from 1991 to 1999 is approximately 7%.

(d) With the recent announcement of a small negative list, the scope of the automatic route has been considerably widened which is expected to prove attractive to foreign investors.

Stock of Rubber with STC

1874. SHRI M.J. VARKEY MATTATHIL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is stock of rubber with STC;

(b) if so, the stock position of natural raw rubber with STC to cater to the demand of the tyre manufacturers;

(c) if no, as to why the STC is not procuring rubber from the open market for this purpose; and

(d) whether Government would consider the floor price of rubber taking into consideration the huge hike in the fertilizer price and increase in wages?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) A stock of 3331 MT of Natural Ruber was available with STC for which an Export Contract has just been concluded. STC had been directed to supply against indents placed by Advance Licence Holders (AL Hs). But ALHs have not placed any indents with STC for supply of Natural Rubber during the last two months. STC has since been directed to maintain a stock upto 5000 tonnes of Natural Rubber to ensure prompt supply as and when such indents are received.

(d) Price of rubber is determined by the market forces of demand and supply. Government of India is taking all possible measures to help the rubber growers to get a remunerative price for their produce. Therefore, fixation of floor price of rubber is not considered necessary.